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**AVOYELLES COUNCIL ON AGING, INC.**  
**Marksville, Louisiana**

**FINANCIAL STATEMENTS  
AND  
AUDITORS' REPORTS**

**June 30, 2002**

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date 1-22-03

**AVOYELLES COUNCIL ON AGING, INC.  
MARKSVILLE, LOUISIANA**

**FINANCIAL STATEMENTS AND AUDITORS' REPORTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2002**

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**AVOYELLES COUNCIL ON AGING, INC.  
MARKSVILLE, LOUISIANA**

**FINANCIAL STATEMENTS AND AUDITORS' REPORTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2002**

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CERTIFIED PUBLIC ACCOUNTANTS

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## DAUZAT, BEALL & DEBEVEC, CPAs

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A PROFESSIONAL CORPORATION

### INDEPENDENT AUDITORS' REPORT

Board of Directors  
Avoyelles Council on Aging, Inc.  
Marksville, Louisiana

We have audited the accompanying general purpose financial statements of Avoyelles Council on Aging, Inc., (a non-profit, quasi-public organization) as of and for the year ended June 30, 2002. These general purpose financial statements are the responsibility of the **Council's** management. Our responsibility is to express an opinion on these general purpose financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards in the U. S. and the standards applicable to the financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the general purpose financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall general purpose financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of Avoyelles Council on Aging, Inc., as of June 30, 2002, and the results of its operations for the year then ended in conformity with generally accepted accounting principles.

In accordance with *Government Auditing Standards*, we have also issued our report dated November 1, 2002, on our consideration of the **Council's** internal control over financial reporting and our test of its compliance with certain provisions of laws, regulations, and contracts.

Our audit was made for the purpose of forming an opinion on the general purpose financial statements taken as a whole. The additional information as listed in the table of contents is presented for purposes of additional analysis and is not a required part of the general purpose financial statements of the Avoyelles Council on Aging, Inc. Such information has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in our opinion, is fairly presented in all material respects in relation to the general purpose financial statements taken as a whole.



Certified Public Accountants

November 1, 2002

## EXHIBIT A

**AVOYELLES COUNCIL ON AGING, INC.**  
**Marksville, Louisiana**

**COMBINED BALANCE SHEET - ALL FUND TYPES AND ACCOUNT GROUPS**  
**June 30, 2002**  
**WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2001**

	<u>Governmental Fund Types</u>		<u>Account Group</u>		<u>Totals</u>	
	<u>General</u>	<u>Special Revenue</u>	<u>General Fixed Assets</u>	<u>General Long-Term Debt</u>	<u>(Memorandum Only)</u>	
					<u>2002</u>	<u>2001</u>
<b>ASSETS</b>						
Cash	\$ 106,118	\$ 3,661			\$ 109,779	\$ 111,598
Contracts receivable		32,926			32,926	21,902
Account receivable	3,563	65,802			69,365	46,748
Prepaid Van Match	8,000				8,000	-0-
Due from Special Revenue Fund	79,337				79,337	64,663
General fixed assets			\$ 1,064,353		1,064,353	1,100,824
<b>OTHER DEBITS:</b>						
Amount to be provided for retirement of long term debt				\$ 19,585	19,585	6,318
<b>Total Assets and Other Debits</b>	<u>197,018</u>	<u>\$ 102,389</u>	<u>\$ 1,064,353</u>	<u>\$ 19,585</u>	<u>\$ 1,383,345</u>	<u>\$ 1,352,053</u>
<b>LIABILITIES, FUND EQUITY AND OTHER CREDITS</b>						
<b>LIABILITIES:</b>						
Accounts payable	\$ -0-	\$ 23,051	\$ -0-		\$ 23,051	\$ 9,537
Deferred Revenue - advanced rent						
Due to General Fund		79,337			79,337	64,663
Capital lease payable				\$ 19,585	19,585	6,318
<b>Total Liabilities</b>	<u>-0-</u>	<u>102,388</u>	<u>-0-</u>	<u>19,585</u>	<u>121,973</u>	<u>80,518</u>
<b>FUND EQUITY AND OTHER CREDITS:</b>						
Investment in General Fixed Assets			1,064,353		1,064,353	1,100,824
Fund balances						
Reserved for Utility Assistance/FEMA		1			1	(1,450)
Unreserved - Undesignated	<u>197,018</u>				<u>197,018</u>	<u>172,161</u>
<b>Total Fund Equity and Other Credits</b>	<u>197,018</u>	<u>1</u>	<u>1,064,353</u>		<u>1,261,372</u>	<u>1,271,535</u>
<b>Total Liabilities, Fund Equity and Other Credits</b>	<u>\$ 197,018</u>	<u>\$ 102,389</u>	<u>\$ 1,064,353</u>	<u>\$ 19,585</u>	<u>\$ 1,383,345</u>	<u>\$ 1,352,053</u>

The accompanying notes are an integral part of this statement.

**AVOYELLES COUNCIL ON AGING, INC.**  
**Marksville, Louisiana**

**COMBINED STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES - ALL GOVERNMENTAL FUND TYPES**  
**For the Year Ended June 30, 2002**  
**WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2001**

	<u>General</u>	<u>Special Revenue</u>	<u>Totals (Memorandum Only)</u>	
			<u>2002</u>	<u>2001</u>
<b>Revenues</b>				
Intergovernmental				
Cenla Area Agency on Aging, Inc.		\$ 274,088	\$ 274,088	\$ 227,358
Federal Energy Management Agency		19,844	19,844	8,661
Title 19 - DHH		79,043	79,043	80,261
LA Department of Transportation		173,635	173,635	176,099
LA Department of Social Services		44,809	44,809	38,542
Department of Health and Hospitals	\$ 13,020		13,020	13,874
Office of Elderly Affairs	21,779		21,779	21,779
Public support	159,432	169,633	329,065	287,243
Interest income	1,885		1,885	2,663
Rental income	36,000		36,000	36,000
Other		2,483	2,483	5,317
In-kind revenues		47,400	47,400	54,178
Total revenues	<u>232,116</u>	<u>810,935</u>	<u>1,043,051</u>	<u>951,975</u>
<b>Expenditures</b>				
Current:				
Salaries	23,920	450,242	474,162	462,558
Fringe	2,570	53,003	55,573	49,490
Travel	1,487	47,946	49,433	45,848
Operating services	185,451	143,136	328,587	297,879
Operating supplies	1,526	42,845	44,371	58,383
Other	5,806		5,806	6,230
In Kind		47,400	47,400	
Debt service:				
Principal		11,733	11,733	11,719
Interest		528	528	1,292
Capital outlay:				
In-kind				54,178
Other	25,000		25,000	14,544
Total expenditures	<u>245,760</u>	<u>796,833</u>	<u>1,042,593</u>	<u>1,002,121</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>(13,644)</u>	<u>14,102</u>	<u>458</u>	<u>(50,146)</u>
<b>Other financing sources (uses)</b>				
Operating transfers in	43,175	265,144	308,319	285,749
Operating transfers out	(30,174)	(278,145)	(308,319)	(285,749)
Capital Lease	25,000		25,000	
Sale of Assets	500	350	850	
Total other financing sources (uses)	<u>38,501</u>	<u>(12,651)</u>	<u>25,850</u>	
<b>Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses</b>	24,857	1,451	26,308	(50,146)
<b>Fund balance, beginning</b>	<u>172,161</u>	<u>(1,450)</u>	<u>170,711</u>	<u>220,857</u>
<b>Fund balance, ending</b>	<u>\$ 197,018</u>	<u>\$ 1</u>	<u>\$ 197,019</u>	<u>\$ 170,711</u>

The accompanying notes are an integral part of this statement.

## EXHIBIT C

**AVOYELLES COUNCIL ON AGING, INC.**  
**Marksville, Louisiana**

**STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL  
GENERAL FUND  
For the Year Ended June 30, 2002**

	<u>Budget</u>	<u>Actual</u>	Variance- Favorable (Unfavorable)
<b>REVENUES</b>			
Intergovernmental			
Department of Health & Hospitals	\$ 14,000	\$ 13,020	\$ (980)
Office of Elderly Affairs	21,779	21,779	-0-
Public support	90,549	159,432	68,883
Interest income	2,000	1,885	(115)
Rental income	36,000	36,000	-0-
In-kind revenues	<u>          </u>	<u>          </u>	<u>-0-</u>
Total revenues	<u>164,328</u>	<u>232,116</u>	<u>67,788</u>
<b>EXPENDITURES</b>			
Current:			
Salaries	24,386	23,920	466
Fringe	2,698	2,570	128
Travel	1,428	1,487	(59)
Operating services	44,166	185,451	(141,285)
Operating supplies	1,684	1,526	158
Other	80,627	5,806	74,821
Capital outlay:			
In-kind		<u>25,000</u>	<u>(25,000)</u>
Other	<u>          </u>	<u>          </u>	<u>          </u>
Total expenditures	<u>154,989</u>	<u>245,760</u>	<u>(90,771)</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>9,339</u>	<u>(13,644)</u>	<u>22,983</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Operating transfers in	14,534	43,175	28,641
Operating transfers out	(23,873)	(30,174)	(6,301)
Capital Lease		25,000	25,000
Sale of assets		<u>500</u>	<u>500</u>
Total other financing sources (uses)	<u>(9,339)</u>	<u>38,501</u>	<u>47,840</u>
<b>Excess (deficiency) of revenues and other sources over expenditures and other uses</b>		24,857	24,857
<b>Fund balance, beginning</b>	<u>172,161</u>	<u>172,161</u>	<u>-0-</u>
<b>Fund balance, ending</b>	<u>\$ 172,161</u>	<u>\$ 197,018</u>	<u>\$ 24,857</u>

The accompanying notes are an integral part of this statement.



## EXHIBIT D

**AVOYELLES COUNCIL ON AGING, INC.**  
**Marksville, Louisiana**

**STATEMENT OF REVENUES, EXPENDITURES AND  
 CHANGES IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL  
 SPECIAL REVENUE FUND  
 For the Year Ended June 30, 2002**

	<u>Budget</u>	<u>Actual</u>	Variance- Favorable (Unfavorable)
<b>REVENUES</b>			
Intergovernmental			
Cenla Arca Agency on Aging, Inc.	\$ 448,884	\$ 274,088	\$ (174,796)
Federal Energy Management Agency	15,741	19,844	4,103
Title 19 - DHH	74,000	79,043	5,043
LA Department of Transportation	178,877	173,635	(5,242)
LA Department of Social Services	46,000	44,809	(1,191)
Public support	151,728	169,633	17,905
Other		2,483	2,483
In-kind income		<u>47,400</u>	<u>47,400</u>
Total revenues	<u>915,230</u>	<u>810,935</u>	<u>(104,295)</u>
<b>EXPENDITURES</b>			
Current:			
Salaries	458,079	450,242	7,837
Fringe	50,821	53,003	(2,182)
Travel	50,198	47,946	2,252
Operating services	108,369	143,136	(34,767)
Operating supplies	46,488	42,845	3,643
Other cost	216,542		216,542
In kind		47,400	(47,400)
Debt service:			
Principal		11,733	(11,733)
Interest		528	(528)
Capital outlay:			
In-kind			
Other			
In-kind expenses			
Total expenditures	<u>930,497</u>	<u>796,833</u>	<u>133,664</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>(15,267)</u>	<u>14,102</u>	<u>29,369</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Operating transfers in	246,038	265,144	19,106
Operating transfers out	( 230,771)	(278,145)	(47,374)
Capital lease			
Sale of assets		<u>350</u>	<u>350</u>
Total other financing sources (uses)	<u>15,267</u>	<u>(12,651)</u>	<u>(27,918)</u>
<b>Excess (deficiency) of revenues and other sources over expenditures and other uses</b>		1,451	1,451
<b>Fund balance, beginning</b>	<u>-0-</u>	<u>(1,450)</u>	<u>(1,450)</u>
<b>Fund balance, ending</b>	<u>\$ -0-</u>	<u>\$ 1</u>	<u>\$ 1</u>

The accompanying notes are an integral part of this statement.

**AVOYELLES COUNCIL ON AGING, INC.**  
**Marksville, Louisiana**

**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2002**

**NOTE 1      SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

A.      Reporting Entity:

In 1964, the State of Louisiana passed Act 456 which authorized the charter of voluntary councils on aging for the welfare of the aging people in their respective parishes. Charters are issued by the Louisiana Secretary of State upon approval by the Governor's Office of Elderly Affairs. The Avoyelles Council on Aging, Inc. is a non-profit corporation which must comply with the policies and regulations established by the Governor's Office of Elderly Affairs. The **Council** also receives revenues from other federal, state, and local government agencies which may impose certain restrictions on how the **Council** can use the money provided.

The **Council** is not a component unit of another primary government nor does it have any component units which are related to it. Therefore, the **Council** has presented its financial statements as a separate special-purpose government.

The primary function of Avoyelles Council on Aging, Inc. is to improve the quality of life for the parish's elderly and to provide services to the elderly. Such services include providing a location for meals, nutritional education, information and assistance services, homemaker services, operating senior centers, and transportation. A Board of Directors, consisting of voluntary members who serve three-year terms, governs the **Council**.

B.      Presentation of Statements:

In April of 1984, the Financial Accounting Foundation established the Governmental Accounting Standards Board (GASB) to promulgate generally accepted accounting principles and reporting standards with respect to activities and transactions of state and local governmental entities. In November of 1984, the GASB issued a codification of governmental accounting and financial reporting standards. This codification and subsequent GASB pronouncements are recognized as generally accepted accounting principles for state and local governments.

**AVOYELLES COUNCIL ON AGING, INC.**  
**Marksville, Louisiana**

**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2002**

**B. Presentation of Statements: (continued)**

The accompanying financial statements conform to generally accepted accounting principles for state and local governments. These statements have incorporated any applicable requirements set forth by Audits of State and Local Governmental Units, the industry audit guide issued by the American Institute of Certified Public Accountants; Subsection VI - Annual Financial Reporting, accounting manual for Governor's Office of Elderly Affairs contractors; and, the Louisiana Governmental Audit Guide.

**C. Cash and Cash Equivalents:**

In the governmental fund, cash and cash equivalents include amounts in all demand deposits, interest bearing demand deposits and time deposits with original maturities of three months or less from the date of acquisition.

**D. Fund Accounting:**

The accounts of the **Council** are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures. Governmental resources are allocated to and accounted for in individual funds based upon the purposes for which they are spent and the means by which spending activities are controlled. The various funds are grouped, in the financial statements in this report into two generic fund types and one broad fund category (account group).

**Governmental Fund Types**

Governmental funds are used to account for all or most of the **Council's** general activities, including the collection and disbursement of specific or legally restricted monies, the acquisition of fixed assets, and the servicing of general long-term debt.

The governmental funds and the programs comprising them as presented in the financial statements are described as follows:

**AVOYELLES COUNCIL ON AGING, INC.**  
**Marksville, Louisiana**

**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2002**

D. Fund Accounting: (Continued)

**General Fund**

The General Fund is the general operating fund of the **Council**. It is used to account for all financial resources except those required to be accounted for in another fund. These discretionary funds are accounted for and reported according to the source (federal, state, or local) from which they are derived. In addition, the servicing of general long-term debt is accounted for in the General Fund because unrestricted resources are used to pay for the liabilities incurred by this fund and there are no legal mandates to use a debt service fund.

The following programs comprise the **Council's** General Fund:

**Local**

Revenues, such as, (1) donations from the general public, (2) income from various fund raisers (3) program service revenue from renting Medic Alert units and providing Medicaid services, and (4) interest income earned on idle funds which have been invested, have been recorded in the "local" program of the General fund. Expenses incurred which are not chargeable to specific programs are recorded at "local" program expenditures. Also, expenses incurred to produce related program service fees and fund raising income are charged to "local" program expenditures. "Local" funds are also used as transfers to special revenue funds to supplement those programs. In addition, fixed asset additions are generally paid with "local" funds.

**Medicaid**

This is a program where the **Council** completes enrollment applications for people wanting to apply for Medicaid services. The **Council** is paid \$14 per application it completes by the Department of Health and Hospitals (DHH). Any funds remaining after applying direct costs to operate this program are available for discretionary use by management.

**AVOYELLES COUNCIL ON AGING, INC.**  
**Marksville, Louisiana**

**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2002**

D. Fund Accounting: (Continued)

**General Fund (continued)**

PCOA (Act 735)

PCOA (Act 735) funds are appropriated for the **Council** by the Louisiana Legislature and remitted to the **Council** via the Governor's Office of Elderly Affairs (GOEA). The council may use these "Act 735" funds at its discretion provided the program is benefiting people who are at least 60 years old.

**Special Revenue Funds**

Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than special assessments and major capital projects) that are legally restricted to expenditures for specified purposes. Most of the **Council's** special revenue funds are provided by GOEA. The Title III funds are provided by the United States Department of Health and Human Services - Administration on Aging through the Governor's Office of Elderly Affairs to Cenla Area Agency on Aging, Inc. who funds the **Council** on a predetermined unit cost reimbursement basis up to the contract amount.

The following funds are funds which comprise the **Council's** Special Revenue Funds:

**Title III-B Supportive Services Fund**

The Title III-B Supportive Services Fund is used to account for funds which are to provide a variety of social services; such as, information and assistance, access services, in-home services, community services and outreach for people age 60 and older.

**AVOYELLES COUNCIL ON AGING, INC.**  
**Marksville, Louisiana**

**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2002**

D. Fund Accounting: (Continued)

Title III C-1 Fund

The Title III C-1 Fund is used to account for funds which are used to provide nutritional, congregate meals to the elderly in strategically located centers. During the fiscal year July 1, 2001 to June 30, 2002, the **Council** served about 39,429 congregate meals.

Title III C-2 Home Delivered Meals Fund

Title III C-2 Fund is used to account for funds which are used to provide nutritional, home delivered meals to homebound older persons. During the fiscal year July 1, 2001 to June 30, 2002, the **Council** served about 85,446 home delivered meals.

Title III-D Fund

The Title III-F Fund is used to account for funds used for disease prevention and health promotion activities or services, such as; (1) equipment and materials (scales to weigh people, educational materials, and exercise equipment), (2) home injury control, (3) medication management, (4) mental health and (5) nutrition (assessment/screening, counseling, and education). The law directs the state agency administering this program to "give priority to areas of the state which are medically underserved and in which there are a large number of older individuals who have the greatest economic and social need."

Title III E- Fund

The Fund accounts for the resources and activities of the National Family Caregivers Support Program. The purpose of the program is to provide multifaceted systems of support services for family caregivers and grandparents or older individuals who are relative caregivers.



**AVOYELLES COUNCIL ON AGING, INC.**  
**Marksville, Louisiana**

**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2002**

D. Fund Accounting: (Continued)

**Special Revenue Fund (continued)**

Senior Center Fund

The Senior Center fund is used to account for the administration of Senior Center program funds appropriated by the Louisiana Legislature to the Governor's Office of Elderly Affairs to Cenla Area Agency on Aging, Inc. who funds the **Council** on a predetermined unit cost reimbursement basis up to the contract amount. This program provides community service centers at which older persons receive supportive services and participate in activities which foster their independence, enhance their dignity, and encourage their involvement in and with the community. The **Council** operates 3 senior centers in Avoyelles Parish, Louisiana.

Supplemental Senior Center Fund

The Supplemental Senior Center Fund is used to account for additional funds to be used to supplement the primary contract for the Senior Centers. These funds are appropriated by the Louisiana Legislature to the Governor's Office of Elderly Affairs to Cenla Area Agency Aging, Inc. who funds the **Council**.

Utility Assistance Fund

The Utility Assistance Fund is used to account for the administration of programs that are sponsored by local utility companies. The companies collect contributions from service customers and employees and remit the funds directly to the **Council** or the Louisiana Association of Councils on Aging (LACOA), which in turn remits funds relating to Avoyelles Parish to the **Council**. These funds are used to provide financial assistance to the elderly for the payment of their utility bills.

Title XIX Fund

The Title XIX Fund is used to account for funds which are used to provide payments for medical services provided to (1) cash assistance recipients, (2) members of certain mandatory and optional groups who do not receive cash assistance, and (3) other medically needed people who qualify under program guidelines. Title XIX Funds are provided by the United States Department of Health and Human Services as direct reimbursement for costs incurred by the **Council**.

**AVOYELLES COUNCIL ON AGING, INC.**  
**Marksville, Louisiana**

**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2002**

D. Fund Accounting: (Continued)

**Special Revenue Fund (continued)**

FEMA

The FEMA fund is used to account for the administration of a program which purpose is to supplement food and shelter assistance to qualified individuals. During the year the **Council** used the FEMA funds to provide home-delivered meals. Funds were also used to purchase food which was used to make boxes of food that were distributed to needy families and the local food bank. Funds are provided by the Federal Emergency Management Agency through the United Way of America which in turn passes through the funds to the **Council**. A local board working with the parish's local United Way agency assists the **Council** in obtaining FEMA funds from United Way's national office.

E. Account Groups

An account group is a financial reporting device designated to provide accountability for certain assets and liabilities that are not recorded in the funds because they do not directly affect net expendable available financial resources. The following account group is not a "fund".

General Fixed Assets

The fixed assets (capital outlays) used in governmental fund type operations of Avoyelles Council on Aging, Inc. are accounted for (capitalized) in the General Fixed Assets Account Group and are recorded as expenditures in the governmental fund types when purchased.

General Long-Term Debt

Long-term liabilities expected to be financed from governmental funds are accounted for in the General Long-Term Debt Account Group. The General Long-Term Debt Account Group shows only the measurement of financial position and is not involved with measurement of results of operations. The general obligations of the **Council** at June 30, 2001, consisted a capital lease to finance the acquisition of one van.



**AVOYELLES COUNCIL ON AGING, INC.**  
**Marksville, Louisiana**

**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2002**

F. Basis of Accounting:

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. The governmental funds, including the General and Special Revenue Funds, are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. Operating statements of these funds present increases (revenues and other financing sources) and decreases (expenditures and other uses) in net current assets.

Governmental funds are maintained on the modified accrual basis of accounting wherein revenues are recognized in the accounting period in which they become available and measurable. Expenditures are recognized in the accounting period in which the liability is incurred, if measurable.

G. Transfers:

Advances between funds which are not expected to be repaid are accounted for as transfers. In those cases where repayment is expected, the advances are classified as due from other funds or due to other funds on the balance sheet. Short-term interfund loans are classified as interfund receivables/payables.

H. Budget Policy:

The **Council** follows these procedures in establishing the budgetary data reflected in these financial statements.

- The Cenla Area Agency on Aging, Inc. notifies the **Council** each year as to the funding levels for each program's grant award.
- The **Council** may also obtain grants from agencies other than GOEA and the **Council** considers the potential revenues to be earned under those grants.
- Projections are made of revenues from other sources based on past trends and data available to form expectations of future revenues.
- The Executive Director prepares a proposed budget based on the funding levels provided by Cenla Area Agency on Aging, Inc. and then submits the budget to the Board of Directors for approval before May 31 of the current year for the following year.

**AVOYELLES COUNCIL ON AGING, INC.**  
**Marksville, Louisiana**

**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2002**

H. Budget Policy: (Continued)

- The adopted budget is forwarded to the Cenla Area Agency on Aging, Inc. for final approval.
- All budgetary appropriations lapse at the end of each fiscal year (June 30). Occasionally, the **Council** will receive a special project grant which may operate on a period different from the **Council's** normal fiscal year, and therefore, have a specified date where the budgetary appropriations will lapse.
- The budget is prepared on a modified accrual basis, consistent with the basis of accounting, for comparability of budgeted and actual revenues and expenditures.
- Budgeted amounts included in the accompanying financial statements include the original adopted budget amounts and all subsequent amendments.
- Actual amounts are compared to budgeted amounts periodically during the fiscal year as a management control policy.
- The **Council** may transfer funds between line items as often as required but must obtain prior approval from the Cenla Area Agency on Aging, Inc. for funds received under grants from GOEA.
- The **Council** is not required by state or local law to prepare a budget for every program or activity it conducts. Accordingly, some General Fund activities are not budgeted, particularly if they are deemed to be immaterial by management.

I. Total Columns of Combined Statements:

Total columns on the combined statements are captioned "Memorandum Only" to indicate that they are presented only to help with financial analysis. Data in these columns do not present financial position, results of operations, or changes in financial position in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.

**AVOYELLES COUNCIL ON AGING, INC.**  
**Marksville, Louisiana**

**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2002**

J. Fixed Assets:

The accounting and reporting treatment applied to the fixed assets associated with a fund are determined by its measurement focus.

Fixed assets used in governmental fund type operations (general fixed assets) are accounted for in the general fixed asset account group, and are recorded as expenditures in the governmental fund types when purchased. No depreciation has been provided on general fixed assets.

All fixed assets are stated at historical cost or estimated historical cost if actual historical cost is not available. Donated fixed assets are stated at their estimated fair market value on the date of donation.

K. Comparative Data:

Comparative data for the prior year is presented in the accompanying financial statements to provide an understanding of changes in the **Council's** financial position and operations. However, presentation of comparative data by fund type is not presented in each of the statements since its inclusion would make the statements unduly complex and difficult to read.

L. Restricted Assets:

Restricted assets represent assets which are primarily acquired through donations whereby the donor places restrictions on how the donation can be used by the **Council** (i.e., utility assistance funds). Restricted assets are offset by reservations of fund balances.

**NOTE 2      REVENUE RECOGNITIONS - INTERGOVERNMENTAL GRANTS,  
PUBLIC SUPPORT, AND MISCELLANEOUS REVENUES**

Intergovernmental revenues are recorded in governmental funds as revenues in the accounting period that they become susceptible to accrual, that is, measurable and available (modified accrual basis). (Contracts do not allow the **Council** to recognize revenue until units of services are provided.)

**AVOYELLES COUNCIL ON AGING, INC.**  
**Marksville, Louisiana**

**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2002**

**NOTE 2      REVENUE RECOGNITIONS - INTERGOVERNMENTAL GRANTS,  
PUBLIC SUPPORT, AND MISCELLANEOUS REVENUES (Continued)**

Act 735 funds are received as monthly allocations of the total grant in advance of the actual expenditures.

Public Support and Miscellaneous Revenues

The **Council** encourages and receives contributions from clients to help offset the costs of various programs. In addition, various fund raisers are held during the year to obtain funds to offset costs of general operations and senior center activities. The timing and amounts of the receipts of public support and miscellaneous revenues are difficult to predict; therefore, they are not susceptible to accrual and are recorded as revenue in the period received.

**NOTE 3      IN-KIND CONTRIBUTIONS**

The **Council** was furnished the use of five buildings for meal sites during the year as in-kind contributions. These in-kind contributions have been reported as revenues and the offsetting expenditures as costs in the financial statements.

**NOTE 4      INCOME TAX STATUS**

The **Council**, a non-profit corporation, is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code of 1986 and as an organization that is not a private foundation as defined in Section 509 (a) of the Code. It is also exempt from Louisiana income tax.

**NOTE 5      FUND BALANCE - RESERVED**

Fund balance - reserved - special revenue fund consists of amounts to be specifically used for utility assistance.

**AVOYELLES COUNCIL ON AGING, INC.**  
**Marksville, Louisiana**

**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2002**

**NOTE 6      ACCOUNTS AND CONTRACTS RECEIVABLE**

Contracts receivable at June 30, 2002, consisted of the following:

<u>Program</u>	<u>Fund</u>	<u>Funding Agency</u>	<u>Amount</u>
Title III-D	Special Revenue	Cenla AAA	\$ 426
Senior Center	Special Revenue	Cenla AAA	3,029
Title III-B	Special Revenue	Cenla AAA	9,289
Title III C-1	Special Revenue	Cenla AAA	1,023
Title III C-2	Special Revenue	Cenla AAA	11,199
Title III F	Special Revenue	Cenla AAA	7,585
Supplemental Senior Center	Special Revenue	Cenla AAA	<u>375</u>
Total			<u><u>\$32,926</u></u>

Accounts receivable at June 30, 2002, consisted of the following:

<u>Program</u>	<u>Fund</u>	<u>Funding Agency</u>	<u>Amount</u>
C-2	Special Revenue	Local	\$ 1,741
C-1	Special Revenue	Local	1,224
Section 18	Special Revenue	Dept of Transportation	34,491
Title 19	Special Revenue	DHH	8,505
Family Independence Work Program	Special Revenue	OFS	19,525
Local	General		1,491
Utility	Special Revenue	FEMA	316
Medicaid	General	DHH	<u>2,072</u>
Total			<u><u>\$69,365</u></u>

**AVOYELLES COUNCIL ON AGING, INC.**  
**Marksville, Louisiana**

**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2002**

**NOTE 7      CHANGES IN GENERAL FIXED ASSETS**

A summary of changes in general fixed assets follows:

	<u>Balance</u> <u>6/30/01</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>6/30/02</u>
Furniture & equipment	\$ 61,829			\$ 61,829
Vehicles	410,549	\$ 25,000	\$(61,471)	374,078
Land	79,852			79,852
Buildings	<u>548,594</u>			<u>548,594</u>
Total	<u>\$ 1,100,824</u>	<u>\$ 25,000</u>	<u>\$(61,471)</u>	<u>\$ 1,064,353</u>

**NOTE 8      COMPENSATED ABSENCES**

Annual leave is earned at a rate of (8) hours per month for full time employees defined as 40 hours per week. Less than full time employees rate is reduced accordingly. After 3 years of service, additional time is earned according to a year of service schedule. Annual leave up to a maximum of 40 hours accumulated does vest with employees, however only annual leave for the month of December can be carried into the next calender year. The vested portion of annual leave is not recorded in these financial statements. No compensation for unused sick leaves is paid upon separation of service.

**NOTE 9      CASH IN BANK**

The **Council** maintains a consolidated bank account to deposit the money it collects and to pay its bills. The consolidated bank account is available for use by all funds. The purpose of this consolidated account is to reduce administration costs and facilitate cash management. The consolidated account also allows those funds with available cash balances to cover any negative cash balances in other funds at year end. At June 30, 2002, the balance of the **Council's** bank accounts were \$106,118. The related bank balance (collected deposits) at that date was \$135,682. The **Council** also maintains a bank account for its FEMA funds. At June 30, 2002, the balance of the FEMA account was \$3,661. The FEMA fund's related bank balance (collected deposits) at that date was \$4,080.



**AVOYELLES COUNCIL ON AGING, INC.**  
**Marksville, Louisiana**

**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2002**

**NOTE 9      CASH IN BANK (Continued)**

The bank balances are characterized as follows:

Amount insured by federal deposit insurance (Category I)	\$ 139,762
Amount uncollateralized (collateralized fully by securities held by the pledging financial institution or agent but not in the name of the Avoyelles Council on Aging, Inc. (Category III))	<u>          -0-</u>
Total cash on deposit	<u><u>\$ 139,762</u></u>

Even though the pledged securities are considered uncollateralized under the provisions of GASB Statement 3, Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the Agency that the fiscal agent has failed to pay deposited funds upon demand.

**NOTE 10      JUDGEMENTS, CLAIMS AND SIMILAR CONTINGENCIES**

There is no litigation pending against the **Council** at June 30, 2002. Furthermore, **Council's** management believes that any potential litigation would be adequately covered by insurance.

**NOTE 11      FEDERAL AWARD PROGRAMS**

The **Council** receives revenues from various federal and state grant programs which are subject to final review and approval as to allowability of expenditures by the respective grantor agencies. Any settlements or expenses arising out of a final review are recognized in the period agreed upon by the agency and the **Council**. Also, it is management's opinion that any audits by the grantor agencies would not produce disallowed program costs and liabilities to such an extent that they would materially affect the **Council's** financial position.

**AVOYELLES COUNCIL ON AGING, INC.**  
**Marksville, Louisiana**

**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2002**

**NOTE 12 ECONOMIC DEPENDENCY**

The **Council** receives the majority of its revenue from contracts with Cenla Area Agency on Aging, Inc. If significant budget cuts are made at the federal and/or state level, the amount of funds contracted by Cenla Area Agency on Aging, Inc. could be reduced significantly and have an adverse impact on the **Council's** operations. Management is not aware of any actions that will adversely affect the amount of funds the **Council** will receive in the next fiscal year.

**NOTE 13 RELATED PARTY**

There were no related party transactions during the fiscal year.

**NOTE 14 RISK MANAGEMENT**

The **Council** is exposed to various risks of loss related to torts; thefts of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The **Council** has purchased commercial insurance to cover or reduce the risk of loss that might arise should one of these incidents occur. No settlements were made during the year that exceeded the **Council's** insurance coverage.

**NOTE 15 INTERFUND TRANSFERS**

Operating transfers in and out are listed by fund for 2002:

Funds Transferred In	<u>Funds Transferred Out</u>					Senior Center	Supplemental Senior Center	FEMA	Family Indep.	Section 18 Transportation	General Fund	Total In
	<u>D</u>	<u>B</u>	<u>E</u>	<u>C-1</u>	<u>C-2</u>							
Title III B- Supportive Services	5,123		209		8,229	36,348	4,500			104,808	23,873	183,090
Title III C-2								4,000				4,000
Title 19					376					25,202		25,578
Title 18					5,242							5,242
Family Independence Work Program					5,259					41,975		47,234
General fund			11,510	4,379	15,269			1,714		4,002	6,301	43,175
Total Out	<u>5,123</u>	<u>-0-</u>	<u>11,719</u>	<u>4,379</u>	<u>34,375</u>	<u>36,348</u>	<u>4,500</u>	<u>5,714</u>	<u>-0-</u>	<u>175,987</u>	<u>30,174</u>	<u>308,319</u>



**AVOYELLES COUNCIL ON AGING, INC.**  
**Marksville, Louisiana**

**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2002**

**NOTE 16                      LEASES**

The **Council** records items under Capital Leases as an asset and an obligation in the accompanying financial statements. At June 30, 2002, the organization has a capital lease for van with an original recorded amount of \$25,000. Lease obligations are paid from the General Fund and Special Revenue Fund. The following is a schedule of future minimum lease payments under Capital Leases, together with the present value of the net minimum lease payments, as of June 30, 2002:

Fiscal Year:	
2002-03	\$ 12,223
2003-04	<u>9,167</u>
Total minimum lease payment	21,390
Less - amount representing interest	<u>(1,805)</u>
Present value of net minimum lease payments	<u><u>\$ 19,585</u></u>

**NOTE 17                      BOARD OF DIRECTORS COMPENSATION**

The Board of Directors is a voluntary board; therefore, no compensation has been paid to any member. However, board members are reimbursed for out-of-town travel expenses incurred in accordance with the **Council's** regular personnel policy.

**NOTE 18                      CHANGES IN GENERAL LONG TERM OBLIGATIONS**

	<u>Capital</u> <u>Lease</u>
Long Term Obligations July 1, 2001	\$ 6,318
Additions	25,000
Deductions	<u>(11,733)</u>
Long Term Obligations at June 30, 2002	<u><u>\$ 19,585</u></u>

**AVOYELLES COUNCIL ON AGING, INC.**  
**Marksville, Louisiana**

**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2002**

**NOTE 19      EXPENDITURES - ACTUAL AND BUDGET**

The following individual funds had actual expenditures over budgeted expenditures for the year ended June 30, 2002:

<u><b>Fund</b></u>	<u><b>Budget</b></u>	<u><b>Actual</b></u>	<u><b>Unfavorable Variance</b></u>
FEMA	10,027	13,351	(3,324)
III-B	256,042	265,013	(8,971)
Project Indep.	87,975	93,985	(6,010)
Title 19	133,702	138,986	(5,284)
Utility	2,775	4,394	(1,619)

## **ADDITIONAL INFORMATION**

**SCHEDULE 1**

**AVOYELLES COUNCIL ON AGING, INC.  
Marksville, Louisiana**

**COMBINING SCHEDULE OF PROGRAM REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES - GENERAL FUND  
For the Year Ended June 30, 2002**

	<u>Local</u>	<u>Medicaid</u>	<u>PCOA Act 735</u>	<u>Totals</u>
<b>Revenues</b>				
Intergovernmental				
Office of Elderly Affairs			\$ 21,779	\$ 21,779
Department of Health and Hospitals		\$ 13,020		13,020
Public support	\$ 159,432			159,432
Interest income	1,885			1,885
Rental income	36,000			36,000
In-kind revenues	-0-			-0-
Total revenues	<u>197,317</u>	<u>13,020</u>	<u>21,779</u>	<u>232,116</u>
<b>Expenditures</b>				
Current:				
Salaries	21,238	2,682		23,920
Fringe	2,260	310		2,570
Travel	1,433	54		1,487
Operating services	178,233	7,218		185,451
Operating supplies	398	1,128		1,526
Other	5,806			5,806
Capital outlay:				
In-kind				
Other	25,000			25,000
Total expenditures	<u>234,368</u>	<u>11,392</u>	<u>-0-</u>	<u>245,760</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>(37,051)</u>	<u>1,628</u>	<u>21,779</u>	<u>(13,644)</u>
<b>Other financing sources (uses)</b>				
Operating transfers in	43,175			43,175
Operating transfers out	( 6,301)	(2,094)	(21,779)	(30,174)
Capital lease	25,000			25,000
Sale of assets	500			500
Total other financing sources (uses)	<u>62,374</u>	<u>(2,094)</u>	<u>(21,779)</u>	<u>38,501</u>
<b>Excess (deficiency) of revenues and other sources over expenditures and other uses</b>	25,323	(466)	-0-	24,857
<b>Fund balance, beginning</b>	<u>171,989</u>	<u>172</u>	<u>-0-</u>	<u>172,161</u>
<b>Fund balance, ending</b>	<u>\$ 197,312</u>	<u>\$ (294)</u>	<u>\$ -0-</u>	<u>\$ 197,018</u>

SCHEDULE 2

AVOYELLES COUNCIL ON AGING, INC.  
Marksville, Louisiana

COMBINING SCHEDULE OF PROGRAM REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES - SPECIAL REVENUE FUNDS  
For the Year Ended June 30, 2002

	Utility Assistance	FEMA	Title 19	Section 18 Transportation	Title III-E	Title III-B Supportive Services	Senior Center	Title III-D	Title III C-1 Congregate Meals	Title III C-2 Home- Delivered Meals
<b>Revenues</b>										
Intergovernmental										
Cenla Area Agency on Aging, Inc					\$ 22,950	\$ 81,181	\$ 36,348	\$ 5,123	\$ 10,130	\$ 113,856
Federal Energy Management Agency		\$ 19,844								
Title 19 - DHH			\$ 79,043	\$ 173,635						
LA Dept of Transportation										
LA Dept of Social Services										
Public support	\$ 5,066		34,246			627			65,915	64,406
Other									30	
In-kind revenues									23,700	23,700
Total Revenues	<u>5,066</u>	<u>19,844</u>	<u>113,289</u>	<u>173,635</u>	<u>22,950</u>	<u>81,808</u>	<u>36,348</u>	<u>5,123</u>	<u>99,775</u>	<u>201,962</u>
<b>Expenditures</b>										
Current:										
Salaries			80,920		8,238	170,144			55,838	90,154
Fringe			9,532		974	20,053			6,507	10,634
Travel			698		922	8,699			951	36,186
Operating services	4,394	13,351	30,682	2,890	1,049	45,397			6,810	10,527
Operating supplies			12,781		48	16,476			1,590	386
Debt service:									23,700	23,700
Principal			4,373			4,244				
Interest										
Capital Outlay:										
In-kind										
Other										
Total expenditures	<u>4,394</u>	<u>13,351</u>	<u>138,986</u>	<u>2,890</u>	<u>11,231</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>95,396</u>	<u>171,587</u>



**SCHEDULE 2 (continued)**

**AVOUELLES COUNCIL ON AGING, INC.  
Marksville, Louisiana**

**COMBINING SCHEDULE OF PROGRAM REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES - SPECIAL REVENUE FUNDS  
For the Year Ended June 30, 2002**

	<u>Family Independence Work Program</u>	<u>Supplemental Senior Center</u>	<u>Totals</u>
<b>Revenues</b>			
Intergovernmental			
Cenla Area Agency on Aging, Inc		\$ 4,500	\$ 274,088
Federal Energy Management Agency Title 19 - DHH			19,844 79,043 173,635
LA Dept of Transportation			44,809
LA Dept of Social Services	\$ 44,809		169,633
Public support	1,826		2,483
Other			47,400
In-kind revenues	<u>46,635</u>	<u>4,500</u>	<u>810,935</u>
Total Revenues			
<b>Expenditures</b>			
Current:			
Salaries	44,948		450,242
Fringe	5,303		53,003
Travel	490		47,946
Operating services	28,036		143,136
Operating supplies	11,564		42,845
In kind			47,400
Debt service:			
Principal	3,116		11,733
Interest	528		528
Capital Outlay:			
In-kind			
Other			
Total expenditures	<u>93,985</u>	<u>-0-</u>	<u>796,833</u>

**SCHEDULE 2 (continued)**

<b>Excess (deficiency) of revenues over expenditures</b>	<u>(47,350)</u>	<u>4,500</u>	<u>14,102</u>
<b>Other financing sources (uses)</b>			
Operating transfers in	47,234		265,144
Operating transfers out		(4,500)	(278,145)
Capital Lease			
Sale Of Assets	<u>116</u>	<u>—</u>	<u>350</u>
<b>Total other financial sources (uses)</b>	<u>47,350</u>	<u>(4,500)</u>	<u>(12,651)</u>
<b>Excess (deficiency) of revenues and other sources over expenditures and other uses</b>	-0-	-0-	1,451
<b>Fund balance, beginning</b>	<u>-0-</u>	<u>-0-</u>	<u>(1,450)</u>
<b>Fund balance, ending</b>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ 1</u>



**SCHEDULE 3**

**AVOYELLES COUNCIL ON AGING, INC.  
Marksville, Louisiana**

**SCHEDULE OF PROGRAM EXPENDITURES BUDGET VS. ACTUAL  
For the Year Ended June 30, 2002**

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
<b><u>TITLE III-B SUPPORTIVE SERVICES</u></b>			
Salaries	\$ 171,453	\$170,144	\$ 1,309
Fringe	19,023	20,053	(1,030)
Travel	8,209	8,699	(490)
Operating services	35,672	45,397	(9,725)
Operating supplies	17,424	16,476	948
Debt service:			
Principal	4,261	4,244	17
Interest			
Capital outlay			
In-kind expenses			
Totals	<u>\$ 256,042</u>	<u>\$ 265,013</u>	<u>\$ (8,971)</u>
<b><u>TITLE III C-1</u></b>			
Salaries	\$ 56,052	\$ 55,838	\$ 214
Fringe	6,219	6,507	(288)
Travel	1,426	951	475
Operating services	4,690	6,810	(2,120)
Operating supplies	1,382	1,590	(208)
In kind		<u>23,700</u>	<u>(23,700)</u>
Totals	<u>\$ 69,769</u>	<u>\$ 95,396</u>	<u>\$ (25,627)</u>
<b><u>TITLE III C-2</u></b>			
Salaries	\$ 90,522	\$ 90,154	\$ 368
Fringe	10,043	10,634	(591)
Travel	36,327	36,186	141
Operating services	9,259	10,527	(1,268)
Operating supplies	382	386	(4)
Transfers			
In kind		23,700	(23,700)
Totals	<u>\$ 146,533</u>	<u>\$ 171,587</u>	<u>\$ (25,054)</u>

SCHEDULE 3 (continued)

AVOYELLES COUNCIL ON AGING, INC.  
Marksville, Louisiana

SCHEDULE OF PROGRAM EXPENDITURES BUDGET VS. ACTUAL  
For the Year Ended June 30, 2002

	<u>BUDGET</u>	<u>ACTUAL</u>	VARIANCE FAVORABLE (UNFAVORABLE)
<b><u>SENIOR CENTER</u></b>			
Transfer	\$ 36,348	\$ 36,348	\$ -0-
Totals	<u>\$ 36,348</u>	<u>\$ 36,348</u>	<u>\$ -0-</u>
<b><u>TITLE III-D SUPPORTIVE SERVICES</u></b>			
Transfer:	\$ 5,123	\$ 5,123	\$ -0-
Totals	<u>\$ 5,123</u>	<u>\$ 5,123</u>	<u>\$ -0-</u>
<b><u>TITLE III-E SUPPORTIVE SERVICES</u></b>			
Salaries	\$ 12,944	\$ 8,238	\$ 4,706
Fringe	1,436	974	462
Travel	1,694	922	772
Operating Services	968	1,049	(81)
Operating Supplies	1,187	48	1,139
Transfer:	<u>209</u>	<u>-0-</u>	<u>209</u>
Totals	<u>\$ 18,438</u>	<u>\$ 11,231</u>	<u>\$ 7,207</u>
<b><u>SUPPLEMENTAL SENIOR CENTER</u></b>			
Transfer:	\$ 4,500	\$ 4,500	\$ -0-
Totals	<u>\$ 4,500</u>	<u>\$ 4,500</u>	<u>\$ -0-</u>
<b><u>PCOA - ACT 735</u></b>			
Transfer:	\$ 21,779	\$ 21,779	\$ -0-
Totals	<u>\$ 21,779</u>	<u>\$ 21,779</u>	<u>\$ -0-</u>

**SCHEDULE 4**

**AVOYELLES COUNCIL ON AGING, INC.  
Marksville, Louisiana**

**COMPARATIVE SCHEDULE OF GENERAL FIXED ASSETS  
AND CHANGES IN GENERAL FIXED ASSETS  
For the Year Ended June 30, 2002**

	Balance June 30, <u>2001</u>	<u>Additions</u>	<u>Deletions</u>	Balance June 30, <u>2002</u>
<b>GENERAL FIXED ASSETS, AT COST</b>				
Furniture and Equipment	\$ 61,829			\$ 61,829
Vehicles	410,549	\$ 25,000	\$ (61,471)	374,078
Land	79,852			79,852
Buildings	<u>548,594</u>	<u>          </u>	<u>          </u>	<u>548,594</u>
Total General Fixed Assets	<u>\$ 1,100,824</u>	<u>\$ 25,000</u>	<u>\$ (61,471)</u>	<u>\$ 1,064,353</u>
<b>INVESTMENT IN GENERAL FIXED ASSETS</b>				
Title III-B	\$ 10,023			\$ 10,023
General Fund	933,281	\$ 25,000	\$ (61,471)	896,810
Title III-C-1	32,183			32,183
Title III-C-2	5,173			5,173
Family Independence Work Program	9,030			9,030
Title 19	9,211			9,211
Title III F	-0-			-0-
Section 18	99,333			99,333
Donated	-0-			-0-
Senior Center	<u>2,590</u>	<u>          </u>	<u>          </u>	<u>2,590</u>
Total Investment in General Fixed Assets	<u>\$ 1,100,824</u>	<u>\$ 25,000</u>	<u>\$ (61,471)</u>	<u>\$ 1,064,353</u>

The accompanying notes are an integral part of this statement.

**SCHEDULE 5**

**AVOYELLES COUNCIL ON AGING, INC.  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
YEAR ENDED June 30, 2002**

<u>Federal Agency/Pass Through Grantor Program Title</u>	<u>Federal CFDA Number</u>	<u>Total Federal Award</u>	<u>Federal Awards Expended</u>
DEPARTMENT OF HEALTH AND HUMAN SERVICES Passed through the Louisiana Governor's Office of Elderly Affairs: Cenla Area Agency on Aging, Inc. Special Programs for the Aging: Title III - B Title III - E Title III - C-1 Title III - C-2 Title XIX Find Work Program Totals	93.044 93.052 93.045 93.045 93.778 93.561	\$ 68,311 17,212 9,515 35,261 59,282 44,809 \$ 234,390	\$ 68,311 17,212 9,515 35,261 59,282 44,809 \$ 234,390
DEPARTMENT OF TRANSPORTATION Passed through the Louisiana Department of Transportation and Development Passed through the Avoyelles Parish Police Jury: UMTA - Public transportation for Non-urbanized area program Federal Project Number LA-18-X011 State Project Number 741-05-0100	20.509	\$173,635	\$ 173,635
FEDERAL EMERGENCY MANAGEMENT AGENCY Passed through United Way Disaster Assistance	83.516	\$ 19,844	\$ 19,844
<b><u>TOTAL FEDERAL FINANCIAL ASSISTANCE</u></b>		<b><u>\$ 427,869</u></b>	<b><u>\$ 427,869</u></b>

**Notes:**

The Schedule of Expenditures for Federal Awards was prepared on the modified accrual basis of accounting. Note 1 to the financial statements provides additional information relative to the Council's accounting policies.

No federal awards were awarded to the subrecipients during the year ended June 30, 2002.

See independent auditor's report.

**OTHER REPORT REQUIRED BY  
*GOVERNMENT AUDITING STANDARDS***



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## DAUZAT, BEALL & DEBEVEC, CPAs

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A PROFESSIONAL CORPORATION

### REPORT ON COMPLIANCE AND ON INTERNAL CONTROL OVER FINANCIAL REPORTING BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

Board of Directors  
Avoyelles Council on Aging, Inc.

We have audited the general purpose financial statements of Avoyelles Council on Aging, Inc. (a non-profit organization) as of and for the year ended June 30, 2002, and have issued our report thereon dated November 1, 2002. We conducted our audit in accordance with generally accepted auditing standards in the U. S. and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

#### Compliance

As part of obtaining reasonable assurance about whether the **Council's** financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions is not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no material instances of noncompliance that are required to be reported under *Government Auditing Standards*.

#### Internal Control Over Financial Reporting

In planning and performing our audit, we considered the **Council's** internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operations that we consider to be material weaknesses.

This report is intended for the information of the Board of Directors, management and federal awarding agencies, and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

A handwritten signature in black ink, appearing to read "Duane Beall of Debevoise". The signature is fluid and cursive, with a long horizontal stroke at the end.

Certified Public Accountants

November 1, 2002

**REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH  
MAJOR PROGRAM AND INTERNAL CONTROL OVER COMPLIANCE IN  
ACCORDANCE WITH OMB CIRCULAR A-133**

Avoyelles Council on Aging, Inc.  
Marksville, LA.

**Compliance**

We have audited the compliance of the Avoyelles Council on Aging, Inc. with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that are applicable to each of its major federal programs for the year ended June 30, 2002. The Avoyelles Council on Aging, Inc.'s major federal programs are identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of the Avoyelles Council on Aging, Inc.'s management. Our responsibility is to express an opinion on the Avoyelles Council on Aging, Inc.'s compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Avoyelles Council on Aging, Inc.'s compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the Avoyelles Council on Aging, Inc.'s compliance with those requirements.

In our opinion, the Avoyelles Council on Aging, Inc. complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June, 30, 2002.



## **Internal Control Over Compliance**

The management of the Avoyelles Council on Aging, Inc. is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered the Avoyelles Council on Aging, Inc.'s internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133.

Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts and grants that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over compliance and its operation that we consider to be material weaknesses.

This report is intended for the information of the Avoyelles Council on Aging, Inc.'s management, federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

A handwritten signature in black ink, appearing to read "Darrin Beall".

Certified Public Accountants  
November 1, 2002

**AVOYELLES PARISH COUNCIL ON AGING, INC.  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
YEAR ENDED June 30, 2002**

**Section I - Summary of Auditor's Results**

**Financial Statements**

Type of auditor's report issued:	Unqualified
Internal control over financial reporting:	
Material weakness(es) identified?	_____yes <input checked="" type="checkbox"/> no
Reportable condition(s) identified not considered to be material weaknesses?	_____yes <input checked="" type="checkbox"/> none reported
Noncompliance material to financial statements noted?	_____yes <input checked="" type="checkbox"/> no

**Federal Awards**

Internal control over major programs:	
Material weakness(es) identified?	_____yes <input checked="" type="checkbox"/> no
Reportable condition(s) identified not considered to be material weaknesses?	_____yes <input checked="" type="checkbox"/> no
Type of auditor's report issued on compliance for major programs:	Unqualified
Any audit findings disclosed that are required to be reported in accordance with Circular A-133, Section .510(a)?	_____yes <input checked="" type="checkbox"/> no

Identification of major programs:

**CFDA Numbers**

**Name of Federal Program or Cluster**

20.509

Department of Transportation  
UMTA - Public Transportation

Dollar threshold used to distinguish  
between Type A and Type B programs:

\$ 300,000

Auditee qualified as low-risk auditee?

☒ yes ☐ no

**Section II - Financial Statement Findings**

*Reportable Conditions*

No matters were reported.

**AVOYELLES COUNCIL ON AGING, INC.**  
**SCHEDULE OF PRIOR YEAR FINDINGS**  
**For the Year Ended June 30, 2001**

**SECTION 1 INTERNAL CONTROL AND COMPLIANCE MATERIAL TO THE  
FINANCIAL STATEMENTS**

There were no Internal Control or Compliance findings.